

Procurement

MISSION STATEMENT

The mission of the Office of Procurement is to acquire all goods, services, and construction necessary to carry on the functions of County government in the most cost-effective and timely manner consistent with required specifications and established procurement policies.

BUDGET OVERVIEW

The total recommended FY05 Operating Budget for the Office of Procurement is \$2,580,520, an increase of \$185,850 or 7.8 percent from the FY04 Approved Budget of \$2,394,670. Personnel Costs comprise 91.2 percent of the budget for 29 full-time positions and one part-time position for 28.4 workyears. Operating Expenses account for the remaining 8.8 percent of the FY05 budget.

Not included in the above recommendation is a total of \$77,440 and 1.0 workyears that are charged to: Fleet Management Services, Motor Pool Internal Service Fund (\$23,230, 0.3 WY); Bethesda Parking District (\$2,540); Montgomery Hills Parking District (\$80); Silver Spring Parking District (\$3,180, 0.1 WY); Wheaton Parking District (\$400); Solid Waste Collection (\$19,360, 0.2 WY); Solid Waste Disposal (\$19,360, 0.3 WY); and Mass Transit (\$9,290, 0.1 WY). The funding and workyears for these items are included in the receiving departments' budgets.

PROGRAM CONTACTS

Contact Marsha Watkins Thomas of the Office of Procurement at 240.777.9932 or Melanie G. Coffin of the Office of Management and Budget at 240.777.2755 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Procurement of Goods and Services

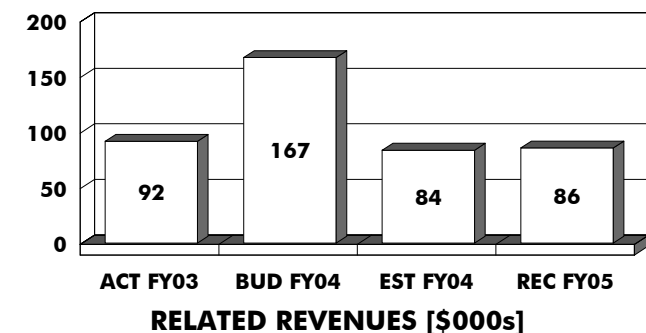
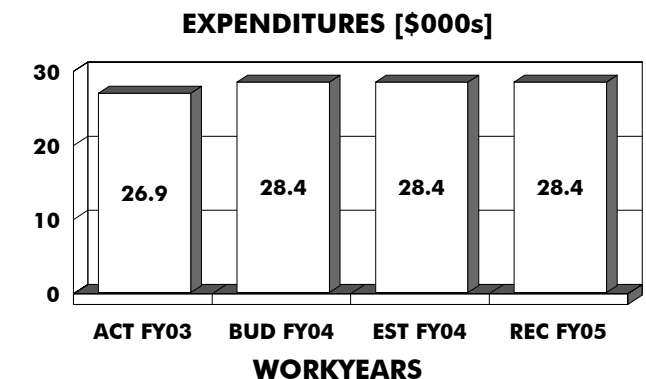
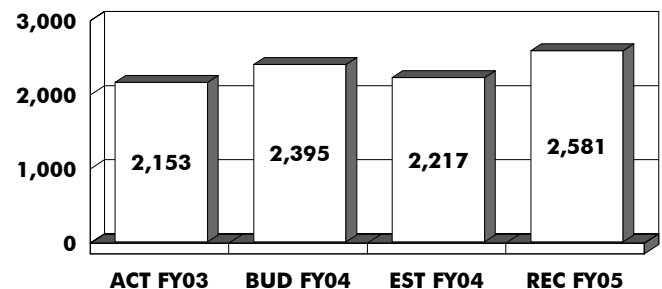
The purpose of this program is to purchase goods, services, and construction required by County departments in the most timely and cost-effective manner possible. Program staff assists departments in the development of specific procurements to maintain a competitive and fair procurement process and to ensure that procurement requests are processed according to the County Code and the Procurement Regulations. Program staff also help vendors understand the County's procurement process and procedures.

Assistance with contracts is provided to coordinate contract administration through guidance, assistance, and training of department contract administrators. Procurement Specialists develop contract administration procedures and research, review, and recommend revisions to County procurement policies and regulations to streamline the procurement process.

Program Summary

	Expenditures	WYs
Procurement of Goods and Services	1,819,860	22.9
Minority, Female, and Disabled Persons Procurement	95,990	1.0
Automation and Reports Management	144,830	1.5
Administration	519,840	3.0
Totals	2,580,520	28.4

Trends



In addition, testimony and other evidence regarding claims and contract disputes with contractors are reviewed to resolve issues.

FY05 Recommended Changes

	Expenditures	WYs
FY04 Approved	1,771,290	22.9
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, and changes due to staff turnover	48,570	0.0
FY05 CE Recommended	1,819,860	22.9

Minority, Female, and Disabled Persons Procurement

The objective of the Minority, Female, and Disabled persons (MFD) program is to meet the County's annual goal of awarding a designated percentage of the total dollar value of negotiated contracts over \$65,000 to Maryland Department of Transportation certified minority, female, or disabled-owned businesses by procurement source. To meet the objective, the program identifies MFD firms, encourages and coordinates their participation in the procurement process through community outreach, and monitors contracts subject to MFD participation to ensure compliance by prime contractors.

FY05 Recommended Changes

	Expenditures	WYs
FY04 Approved	91,670	1.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, and changes due to staff turnover	4,320	0.0
FY05 CE Recommended	95,990	1.0

Automation and Reports Management

The purpose of the Automation and Reports Management program is to manage and coordinate the design, development, integration, and training for the County's automated procurement system (ADPICS). ADPICS requires procurement personnel to create, update, and monitor vendor databases.

The automated management system also allows departments to initiate and monitor purchases, contracts, grants, violations, emergencies, public information requests, and department surplus. The program also provides oversight, upkeep, and evaluation of the Internet, fax, and imaging systems.

The program includes ongoing development and management of RAPID (Re-engineered Automated Procurement Information Delivery). RAPID has significantly reduced mailing, printing, and human resource costs. Additional features of RAPID are its ability to advertise solicitations from other County agencies and other counties and links to COG, Maryland counties, and selected states. Subscribers are able to review procurement opportunities for all agencies that link with RAPID 7 days a week, 24 hours a day. Subscribers are also provided with training and support on how to use RAPID. Additionally, this division maintains e-procurement activities such as on-line solicitation purchasing.

FY05 Recommended Changes

	Expenditures	WYs
FY04 Approved	134,560	1.5
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, and changes due to staff turnover	10,270	0.0
FY05 CE Recommended	144,830	1.5

Administration

The Administration program provides for departmental direction, oversight, and support for the Contract Review Committee (CRC), budget preparation and monitoring, and cost and price analysis. The program coordinates cooperative procurements with the Metropolitan Washington Council of Governments (COG) and other government agencies; works closely with the Interagency Procurement Coordinating Committee (IPCC) and the local and national chapters of the National Institute of Governmental Purchasing (NIGP); and improves skill levels and buying practices by training and recertifying Procurement staff toward qualification as a Certified Public Purchasing Officer (CPPO) or a Certified Professional Public Buyer (CPPB). Administration activities include expenditure control, revenue collection, budget preparation, personnel activities, training, and development of recommendations and analyses regarding procurement matters for the CRC. The Director serves as one of three voting members of the CRC and is directly involved in all major procurements.

FY05 Recommended Changes

	Expenditures	WYs
FY04 Approved	397,150	3.0
Enhance: Business Process Management System	119,000	0.0
Reduce: Consultant services	-14,000	0.0
Reduce: Temporary office clerical	-8,940	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, and changes due to staff turnover	26,630	0.0
FY05 CE Recommended	519,840	3.0

BUDGET SUMMARY

	Actual FY03	Budget FY04	Estimated FY04	Recommended FY05	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	1,623,939	1,792,760	1,341,460	1,818,130	1.4%
Employee Benefits	413,246	466,430	740,280	534,130	14.5%
County General Fund Personnel Costs	2,037,185	2,259,190	2,081,740	2,352,260	4.1%
Operating Expenses	116,068	135,480	135,480	228,260	68.5%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	2,153,253	2,394,670	2,217,220	2,580,520	7.8%
PERSONNEL					
Full-Time	27	28	28	29	3.6%
Part-Time	0	1	1	1	—
Workyears	26.9	28.4	28.4	28.4	—
REVENUES					
Information Requests	291	1,000	240	240	-76.0%
Photocopying Fees	139	300	150	150	-50.0%
Protest Fees: On-Line	0	1,000	0	1,000	—
Protest Fees	0	1,000	0	1,000	—
Solicitation Fee: Formal	48,035	63,540	22,850	22,850	-64.0%
Solicitation Fee: Formal On-Line	1,120	260	1,530	1,530	488.5%
Solicitation Fee: Non-Construction	9,415	10,410	10,410	10,410	—
Solicitation Fee: Non-Construction On-Line	0	2,260	2,320	2,320	2.7%
Vendor Registration Fee	32,550	52,050	29,700	29,700	-42.9%
Vendor Registration Fee: On-Line	0	35,100	16,400	16,400	-53.3%
County General Fund Revenues	91,550	166,920	83,600	85,600	-48.7%

FUTURE FISCAL IMPACTS

Title	CE REC. FY05	FY06	FY07	(S000's) FY08	FY09	FY10
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY05 Recommended	2,581	2,581	2,581	2,581	2,581	2,581
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Items Approved in FY05	0	-85	-85	-85	-85	-85
Items recommended for one-time funding in FY05, including the Business Process Improvement System, will be eliminated from the base in the outyears.						
Labor Contracts	0	104	217	238	238	238
These figures represent the annualization of FY05 increments, general wage adjustments, and associated benefits. Estimated compensation (e.g., general wage adjustment and service increments) for personnel are included for FY06 and beyond.						
Subtotal Expenditures	2,581	2,600	2,713	2,733	2,733	2,733

PROCUREMENT

PROGRAM:

Procurement of Goods and Services

PROGRAM ELEMENT:

Maryland Public Information Act (MPIA) Requests

PROGRAM MISSION:

To respond in writing within 30 days by providing clear, accurate information and/or documentation in response to requests from citizens and from public entities of Montgomery County

COMMUNITY OUTCOMES SUPPORTED:

- Deliver high value services for tax dollars
- Provide responsive, consistent, reliable government services
- Build credibility with citizens

PROGRAM MEASURES

	FY01 ACTUAL	FY02 ACTUAL	FY03 ACTUAL	FY04 BUDGET	FY05 CE REC
Outcomes/Results:					
Percentage of requestors reporting satisfactory resolution of their:					
Request for bid documents ^a	NA	84	43	46	45
Request for other public records ^b	NA	64	57	54	55
Service Quality:					
Percentage of citizen requests responded to within 30 days ^c	NA	97	100	100	100
Percentage of requests for which an extension of the time to respond was granted ^d	NA	3	0	4	3
Percentage of citizen requests recorded and tracked	100	100	100	100	100
Efficiency:					
Average cost per MPIA request received (\$)	1,120	520	445	623	431
Workload/Outputs:					
MPIA requests received	150	148	203	150	220
Inputs:					
Expenditures (\$000) ^e	167.9	77.0	90.4	93.5	94.9
Workyears ^e	2.5	1.0	1.0	1.0	1.0

Notes:

^aRequests for bid information usually include requests for bid tabulations and unit pricing.

^bRequests for other public records include requests for contracts, proposals submitted by vendors, evaluations used in contract awards, and other documents.

^cWhile the Office of Procurement did not have a way to formally measure the time required for MPIA responses prior to FY02, the new software installed in FY02 tracks the actual response time - by type of record requested - so that requestors can be provided with realistic expectations as to when they will receive a response.

^dDue to the volume or content of records requested, an extension may be granted for the time to respond.

^eExpenditures and workyears through FY01 correspond to about one-eighth of the total personnel costs and workyears for the Goods and Services Division (one-eighth of Division time was assumed to be dedicated to MPIA). The March, 2001 hire of a Procurement Specialist dedicated to MPIA is not reflected until FY02. FY02 expenditures include the purchase of an MPIA software application and the salary of the new MPIA Procurement Specialist. The software includes ten licenses: seven are being used in Procurement and three are being used in the County Attorney's Office.

EXPLANATION:

Public demand for information and review of public records in the State of Maryland led to the 1970 enactment of the Maryland Public Information Act (MPIA). This legislation, which is patterned after the Federal Freedom of Information Act, creates a process for recording, responding to, and researching requests for information and documentation, and for distributing that information and/or documentation to requestors. Under the MPIA, any Maryland state or local government agency that receives a request invoking MPIA must send a response within 30 days from the date of receipt. A requestor's right to access information is limited by numerous restrictions cited throughout the MPIA. However, whether the request is granted in full, denied in part (redacted), or denied in full, responses must meet the 30 day requirement, unless an extension has been granted.

The Office of Procurement has received the majority of the MPIA requests which come to Montgomery County because of the many issues that tend to be associated with contracts and contract awards. Goods and Services Division staff have been responsible for ensuring that MPIA requests are identified and tracked in a database from receipt to response, for searching for the relevant information/documentation, and for preparing formal responses to the requests.

The knowledge-based software purchased in FY02 facilitates the provision of MPIA responses and allows users to construct responses using standard templates, making it easy to insert relevant legal citations and to mask out information that is confidential and therefore exempt from disclosure. The intent is for the system to be able to locate contract files electronically, allow collaboration between departments, and improve workflow management.

PROGRAM PARTNERS IN SUPPORT OF OUTCOMES: Office of the County Attorney.

MAJOR RELATED PLANS AND GUIDELINES: Maryland Public Information Act.